Fridays and report thereon separately both to the top management of the bank and to the RBI. Banks have also been asked to instruct the auditors to give certificates to be submitted to RBI to the effect that (i) the treasury operations of the bank have been conducted in accordance with the instructions issued by RBI from time to time and (ii) the income recognition, asset classification and provisioning have been done as per the guidelines issued by RBI from time to time.

(d) and (e) RBI have informed that statutory auditors are also required to report as soon as the audit work is completed to the management of the bank as well as to the RBI any serious irregularities noticed in the bank's working which requires immediate attention. All conditions in this regard are incorporated by banks in the appointment letters issued to statutory auditors and certificates are furnished by auditors of banks.

Permission to CBI to Investigate Fraud Cases

4432. SHRI ANNASAHIB M.K. PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn to the news-item captioned "Bank fraud probes: CBI unhappy with fetters" appearing in the Observer dated January 21, 1997;

(b) if so, the details of the facts reported thereon;

(c) the details regarding the cases of reported financial irregularities/frauds in which CBI has sought permission from the New Competent Authority in the Finance Ministry with present status of these cases; and

(d) the reaction of the CBI to the new arrangement proposed and the steps proposed to ensure effective coordination among Government agencies ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (d) Government have seen the news item referred to in the Question. The Government have not curtailed the powers of the Central Bureau of Investigation (CBI). The Single Directive as amended from time to time has been issued after taking into account the views of the Central Bureau of Investigation. The Single Directive provides that in regard to decision making level officers (Joint Secretary or equivalent or above), the prior sanction of the Secretary of the Ministry/Department concerned should be obtained before CBI takes up any enquiry (Preliminary Enquiry or Regular Case) including ordering search in respect of such officers. The procedure is applicable in the case of decision making level officers of the Central Government or such officers as are or have been on deputation to Public Sector Undertakings; Board level officers in Public Sector Undertakings; Officers of the Reserve Bank of India of the level equivalent to Joint Secretary or above in the Central Government, Executive Directors and above of the Securities Exchange Board of India and Chairman and Managing Directors (CMDs) and Executive Directors as well as such of the Bank officers who are one level below the Board in Nationalised Banks. This provision in the Single Directive has been made to ensure that the honest officers at the decision making level are protected against unnecessary investigation while the corrupt and guilty are punished.

In The news item a reference has been made to registration of a case by CBI against former CMD, Indian Bank relating to sanction of overdraft to M/s. Arun Builders by Indian Bank. In this case, CBI had requested in September 1995 concurrence of the Finance Ministry for registration of a Preliminary Enquiry against former CMD, Indian Bank. The request was considered in consultation with RBI and permission was granted by the Government on 20.12.1995 for registration of a Preliminary Enquiry. CBI accordingly registered the Preliminary Enquiry on 30.1.1996.

After the recent amendments in the Single Directive in December 1996, two references have been received from CBI seeking the concurrence of the Finance Ministry for registration of two Regular Cases in respect of top executives of two nationalised banks. Necessary action for considering the request of the CBI has been initiated in these cases.

De-Valuation of rupee

4433. SHRI HARIN PATHAK : Will the Minister of FINANCE be pleased to state :

(a) whether there has been devaluation of rupee during the last three years;

(b) if so, the dates on which rupee has been devalued and the extent of increase in the amount of foreign debt as a result thereof on each occasion; and

(c) the future plans of the Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) The exchange rate of the rupee is market determined

since March, 1993 and hence the term 'devaluation' has lost its usefulness. However, the rupee has depreciated by 9.07% between 31.3.93 and 31.3.96 against the US dollar.

(b) and (c) External debt is incurred, denominated and serviced in terms of foreign currencies, Therefore the amount of debt in terms of foreign currencies remains unaffected by movements in the exchange rate of the rupee vis-a-vis foreign currencies.

Export-Import Bank of India

4434. DR. PRABIN CHANDRA SARMA : Will the Minister of FINANCE be pleased to state :

(a) whether there has been a persistent demand for setting up of a bank branch of Export-Import Bank of India (Exim) at Guwahati; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Export Import Bank of India (Exim Bank) has reported that it has not received any request for setting up of Exim Bank's branch at Guwahati.

(b) Does not arise.

Decline in Industrial Licences

4435. SHRI R. SAMBASIVA RAO : Will the Minister of INDUSTRY be pleased to state :

(a) whether the number of conversion of letter of intent into industrial licence and filling of industrial entrepreneurs memorandum have been declined during 1996;

(b) if so, the details thereof alongwith the reasons therefor;

(c) the number of letter of intent and industrial entrepreneurs memorandum registered during each of the last three years; and

(d) the steps proposed to be taken to improve the position of industrial licences likely to be issued during 1997 ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c) The following table shows the number of conversion of letters of intent into Industrial Licences, Letters of Intent (LOIs) issued and the Industrial Entrepreneurs Memorandum (IEMs) filed from 1994 to 1996 :

	1994	1995	1996
Conversion of letters of intent into Industrial Licences	125	83	90
Letters of Intent issued	546	355	522
IEMs filed	4664	6502	4825

(d) Letters of Intent are valid for a period of three years during which these need to be converted into Industrial Licence. It takes generally 4 to 5 years for an Industrial Project to fructify. However, the gestation period varies from Industry to Industry.

[Translation]

Export of Synthetic Yarn

4436. SHRI DATTA MEGHE : Will the Minister of TEXTILES be pleased to state :

(a) whether export of synthetic yarn from Maharashtra has declined during the last three years;

(b) if so, the details thereof and the reasons for the said decline; and

(c) the steps taken or proposed to be taken by the Government for increasing the export of synthetic yarn ?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) State-wise export statistics are not maintained. However, India's overall exports of synthetic and blended yarn have increased from Rs. 232 crores in 1993-94 to Rs. 678 crores in 1995-96.

(b) Does not arise in view of (a) above.

(c) Government have been taking a number of steps to boost exports of textile items, including synthetic yarn, which include encouraging exporters to participate in buyer-seller meets, fairs and exhibitions; enabling import of capital goods at concessional duty for export production; special arrangements for duty free import of raw materials for export production; ensuring increased availability of export credit etc.

Production of Coal

4437. DR. KRUPASINDHU BHOI : Will the Minister of COAL be pleased to state :

(a) the number of coal mines under Coal India Ltd;

(b) the target fixed for production of coal in those